

GOOD MORNING: 01/17/19 Farm Direction - Van Trump Report

1 message

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Thu, Jan 17, 2019 at 7:22 AM

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Today In History

"Happiness is a quality of the soul ... not a function of one's material circumstances." - Aristotle

THURSDAY, JANUARY 17, 2019
[Printable Copy](#) or [Audio Version](#)

Morning Summary: Stocks are a bit lower this morning as headlines circulate that Federal prosecutors are fully investigating Chinese electronics giant Huawei for allegedly stealing trade secrets from U.S. companies. Huawei is one of the world's leading smartphone makers, and has been at the center of growing trade tensions between the U.S. and China. Bears argue this sends a signal that Chinese and U.S. differences are still notable. At the same time, bulls point to the fact China's chief trade negotiator, Vice Premier Liu He, has confirmed that he will be visiting Washington for the next round of talks on Jan. 30-31. The thought is that China's economic data has been so poor, perhaps they are more eager to make a deal? The U.S. stock market has been gaining back some momentum after an extremely rough stretch. For those fans scoring at home, both the Dow Jones Industrial Average and the S&P 500 closed yesterday at their highest level in a month. Both indexes have also rebounded by +10% since the Christmas break, but are still about -10% below the most recent record high. Bulls are saying they will continue to ride the relief rallies higher, arguing that the bears overreacted and priced in more downside risk than was needed. Bears believe there are just too many headwinds and balls in the air for the bulls to juggle for an extended period of time. Perhaps if we cleared the Chinese hurdles and the found a way to end the current government shutdown I would be more open to the longer-term bullish argument. Short-term, I can see a relief rally! But as I stated yesterday, I suspect the technicals will start becoming a bit tougher as we climb higher. I suspect the S&P 500 will find a some fairly difficult hurdles up between 2680 and 2750. I also worry that the waters are moving much faster, meaning they've become much trickier to navigate. I've been on many rivers in my life and the problem is never where I'm going to put my canoe in the water, it's always what I can't see downstream. If you're going to make the trip, I wouldn't take anything along that you don't mind losing or getting extremely wet:) Earning season rolls on today with big names like Morgan Stanley and Netflix scheduled to report. We will also be digesting updated data on weekly U.S. jobless claims and the most recent industrial production numbers. I included below a couple of interesting graphics about the number of Federal employees and which states could be the most impacted.

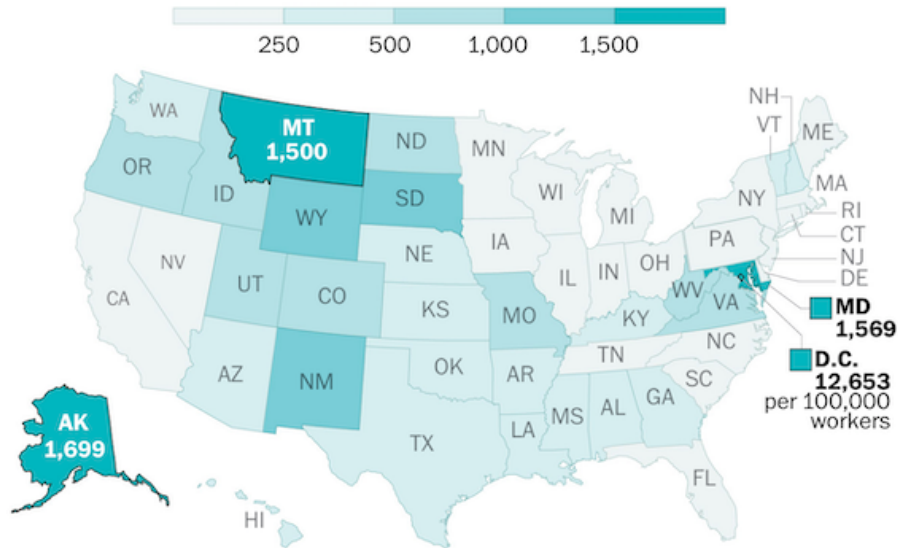


1950, Boston Thieves Pull off Historic Robbery

On this day in 1950, 11 men steal more than \$2 million from the Brinks Armored Car depot in Boston, Massachusetts. It was the perfect crime—almost—as the culprits weren't caught until January 1956, just days before the statute of limitations for the theft expired. The robbery's mastermind was Anthony "Fats" Pino, a career criminal who recruited a group of 10 other men to stake out the depot for 18 months to figure out when it held the most money. Pino's men then managed to steal plans for the depot's alarm system, returning them before anyone noticed they were gone. Wearing navy blue coats and chauffeur's caps—similar to the Brinks employee uniforms—with rubber Halloween masks, the thieves entered the depot with copied keys, surprising and tying up several employees inside the company's counting room. Filling 14 canvas bags with cash, coins, checks and money orders—for a total weight of more than half a ton—the men were out and in their getaway car in about 30 minutes. Their haul? More than \$2.7 million—the largest robbery in U.S. history up until that time. No one was hurt in the robbery, and the thieves left virtually no clues, aside from the rope used to tie the employees and one of the chauffeur's caps. The gang promised to stay out of trouble and not touch the money for six years in order for the statute of limitations to run out. They might have made it, but for the fact that one man, Joseph "Specs" O'Keefe, left his share with another member in order to serve a prison sentence for another burglary. While in jail, O'Keefe wrote bitterly to his cohorts demanding money and hinting he might talk. The group sent a hit man to kill O'Keefe, but he was caught before completing his task. The wounded O'Keefe made a deal with the Federal Bureau of Investigation (FBI) to testify against his fellow robbers. Eight of the

Where the shutdown could have the biggest impact

Number of federal employees in agencies affected by the shutdown per 100,000 workers



Note: As of June 2018. Map does not include 240,000 workers for whom location was not reported.

Select State: Total

GOVERNING Data

The Labor Department reported 2,819,960 federal employees (including postal workers) as of June 2017

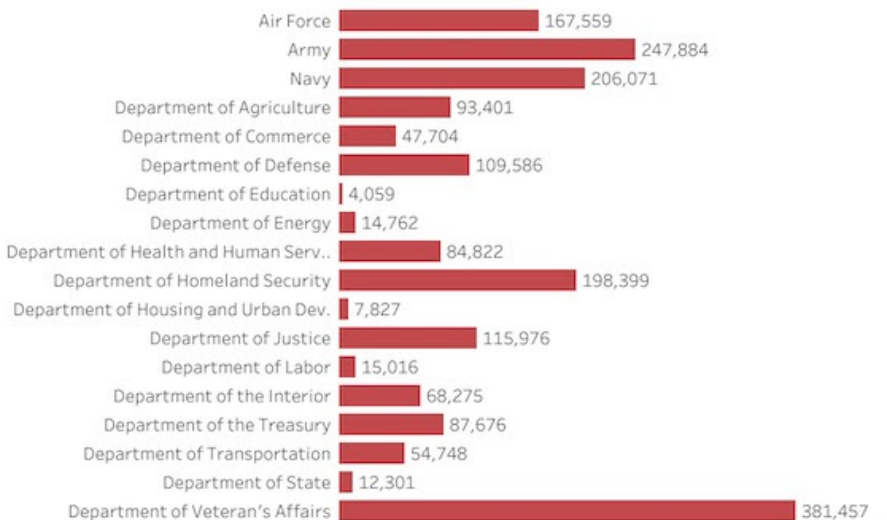
OPM Federal Civilian Employment Data:

Total Federal Civilians: 2,087,747
Cabinet Agencies: 1,917,523
Independent Agencies: 168,846

Active Duty Military:

Total: 1,330,356
Air Force: 309,682
Army: 471,397
Coast Guard: 39,084
Marine Corps: 183,917
Navy: 326,276

Civilian Employment For Cabinet Agencies:



JP Morgan Looking for a Strong Stock Market Rally: The firm has a 3,000 year-end price target on the S&P 500, which is almost 15% higher than our most recent close. Top J.P. Morgan strategist Marko Kolanovic told CNBC that despite some weaker economic data, the stock market should continue to "drift" higher. He also expects the U.S.-China trade war and government shutdown to be resolved in the first quarter and a Federal Reserve that won't raise rates this year. While earnings growth will slow, he still anticipates mid- to high-single digit growth this year. You can read more at [CNBC](#)

Brinks robbers were caught, convicted and given life sentences. Two more died before they could go to trial. Only a small part of the money was ever recovered; the rest is fabled to be hidden in the hills north of Grand Rapids, Minnesota. In 1978, the famous robbery was immortalized on film in *The Brinks Job*, starring Peter Falk.



1953, Corvette Unveiled at GM Motorama -

On this day in 1953, a prototype Chevrolet Corvette sports car makes its debut at General Motors' (GM) Motorama auto show at the Waldorf-Astoria Hotel in New York City. The Corvette, named for a fast type of naval warship, would eventually become an iconic American muscle car and remains in production today. In the early 1950s, Harley Earl (1893-1969), the influential head designer for GM, then the world's largest automaker, became interested in developing a two-seat sports car. At the time, European automakers dominated the sports car market. Following the debut of the Corvette prototype at the Motorama show in January 1953, the first production Corvette was completed at a Flint, Michigan, plant on June 30, 1953. The car featured an all-fiberglass body, a white exterior and red interior, a relatively unremarkable 150-horsepower engine and a starting price tag of around \$3,500 not including taxes or an optional AM radio and heater. In an effort to give the Corvette an air of exclusivity, GM initially marketed the car to invitation-only VIP customers. This plan met with less-than-desirable results, as only a portion of the 300 Corvettes built that first year were sold. GM dropped the VIP policy the following year; however, Corvette sales continued to disappoint. In 1954, GM built around 3,600 of the 10,000 Corvettes it had planned, with almost a third of those cars remaining unsold by the start of 1955. There was talk within GM of discontinuing the Corvette; however, GM rival Ford launched the sporty two-seat Thunderbird convertible in 1955 and the car quickly became a hit. GM didn't want to discontinue the Corvette and look like a failure next to its Big Three competitor, so the car remained in production and performance enhancements were made. That same year, a Belgian-born, Russian-raised designer named Zora Arkus-Duntov became head engineer for Corvette and put the car on a course that would transform it into a legend. Duntov had applied to work at GM after seeing the Corvette prototype at the 1953 Motorama show. According to *The New York Times*: "Once hired, he pushed through the decision to turn the Corvette into a high-performance sports car with a succession of more powerful engines. Chevrolet offered a 195-horsepower engine on the 1955 Corvette, a 240-horsepower engine on the 1956 Corvette and a 283-horsepower engine on the 1957 model." During the second half of the 1950s, Corvettes began setting speed records on the racing circuit. The car also

Warren Buffett's "Hero", Famous Investor Jack Bogle Passes at Age 89:

Billionaire investor Warren Buffett praised Bogle in his annual letter to Berkshire Hathaway Inc. shareholders in early 2017. "If a statue is ever erected to honor the person who has done the most for American investors, the hands down choice should be Jack Bogle," Buffett wrote. "He has the satisfaction of knowing that he helped millions of investors realize far better returns on their savings than they otherwise would have earned. He is a hero to them and to me." For those who don't know, Bogle, is famous for inventing the "mutual fund" and was the founder of Vanguard Group Inc. Bogle's formula turned Vanguard into the largest U.S. manager of stock and bond funds. It was in 1976 that his company introduced the first retail index mutual fund. In the beginning it was lambasted as foolishness, but it later became the cornerstone for the investment world. In fact, Fortune Magazine named Jack Bogle one of four "Giants of the Investment Industry of the 20th Century". He was also named one of the 100 most influential people in the world. Bogle passed yesterday at the age of 89. He and his wife had six children. The cause was said to be cancer. He had suffered the first of at least six heart attacks at age 31. In 1967 he had a pacemaker installed, and in 1996 he received a heart transplant. To say he was a fighter would be a huge understatement. (Source: Bloomberg; Wiki)



FARM TANK

Tweets of the Day



got a publicity boost when it was featured on the TV show "Route 66," which launched in 1960 and followed the story of two young men driving around America in a Corvette, looking for adventure. In 1977, the 500,000th Corvette was built. Two years later, according to the Times, yearly Corvette production peaked at 53,807. In 1992, the 1-millionth Corvette came off the assembly line in Bowling Green, Kentucky; the 1.5-millionth Corvette followed in 2009.

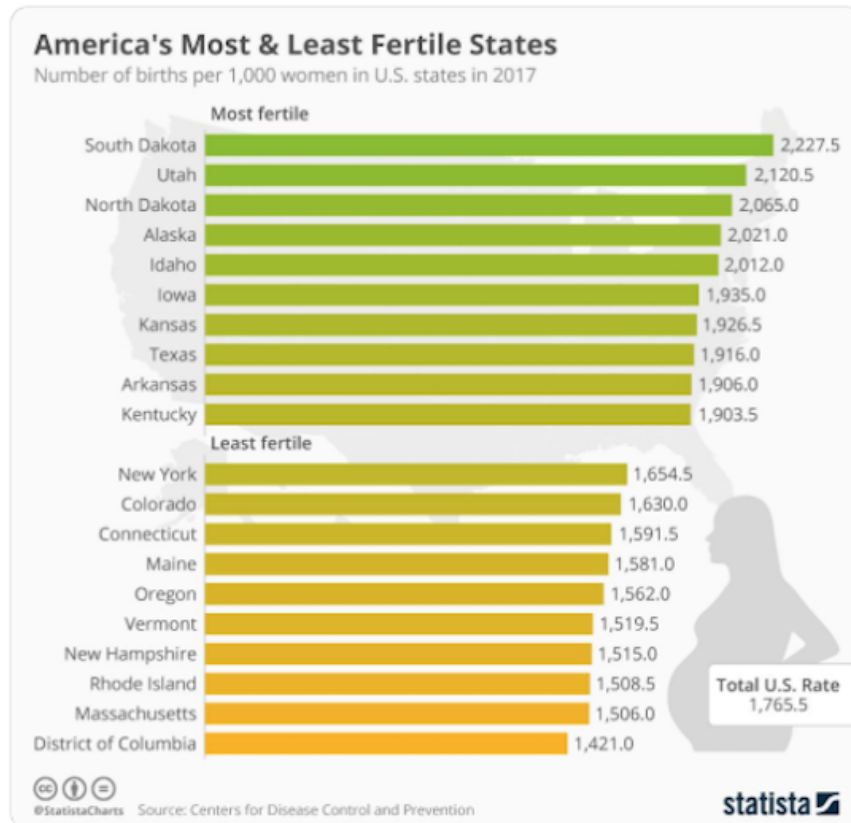


1966, NBC Television Greenlights The Monkees - -

The inspiration came from the Beatles, the financing came from Screen Gems, the music came from Don Kirshner and the stars came from an exhaustive audition process that began with this ad in Daily Variety in September 1965: Madness!! Auditions For Acting Roles in New TV Series, Running Parts for 4 Insane Boys, Age 17-21. The ad drew more than 400 young men to the offices of Bob Rafelson and Bert Schneider, the young Hollywood producing team that would later make Easy Rider, but who for now were trying to milk the establishment rather than defy it. They spent the next four months shooting, cutting, market-testing, re-cutting and re-market-testing a comedy pilot they hoped would land them a network television deal. They got their green light on January 17, 1966, when the National Broadcasting Corporation ordered 32 episodes of The Monkees for its upcoming fall schedule. The next eight months were a bit of a whirlwind for Rafelson and Schneider, for the team of songwriters and studio musicians assembled by Don Kirshner and, not least, for the four "insane boys" chosen to become the Monkees. Mickey Dolenz had never played a drum prior to being cast as "Mickey," and Peter Tork and Mike Nesmith had no acting experience prior to becoming "Peter" and "Mike." Davy Jones was already a triple-threat in the areas of acting, singing and being cute, but it had never been Rafelson and Schneider's intention to find such all-around professionals. "We wanted guys who could play themselves," Schneider explained to the press ahead of the NBC premiere of The Monkees in September 1966. "We didn't even look at actors, and we didn't look for experienced rock and roll groups." The strategy, and indeed the entire grand scheme behind The Monkees, succeeded beyond all expectations. Not only did the television show find success against formidable competition in its time slot from Gilligan's Island, but the group that was a made-for-television knockoff of the Beatles soon had actual records that were outselling the Beatles themselves. Vincent Canby of the New York Times foresaw the commercial success of Rafelson and Schneider's creation the moment he witnessed the reaction of a crowd of preteen girls during a promotional appearance by the Monkees just three days before their network debut. "The Monkees' appearance yesterday afternoon

South Dakota registered the highest birth rate while D.C. registered the lowest birth rate in the U.S. via @CDCgov

bit.ly/2QO4TuC



at the Broadway," Canby wrote, "was just part of an elaborate campaign...to capture the teen-age imagination. The thoroughness of the campaign, as shown yesterday, might prompt renewed debate on the age-old question of free will. Do the teen-agers have a chance these days?"

Upcoming Events

Thurs. 01/17 - Export Sales, Jobless Claims, Housing Starts and Pmts

Tues. 01/21 - Martin Luther King Jr Day, Full Moon (Some Markets Closed)

Tues. 01/22 - Export Inspections

Thurs. 01/24 - Jobless Claims

Fri. 01/25 - Export Sales, Cattle on Feed

Mon. 01/28 - Export Inspections

Tues.-Wed. 01/29-01/30 - FOMC Meeting

Thurs. 01/31 - Export Sales, Jobless Claims, Personal Income

Fri. 02/01 - Unemployment, Grain Crashings

Mon. 02/04 - Export Inspections

Tues. 02/05 - Chinese New Year

Thurs. 02/07 - Export Sales, Jobless Claims

Fri. 02/08 - Crop Productions, USDA Supply & Demand

Mon. 02/11 - Export Inspections

Thurs. 02/14 - Valentine's Day

Fri. 02/15 - Retail Sales, NOPA Crush

Mon. 02/18 - President's Day (Some Markets Closed)

Tues. 2/19 - Full Moon, Export Inspections

Wed. 02/20 - Housing Starts & Pmts

Thur. 02/21 - Jobless Claims

Fri. 02/22 - Export Sales, Cattle on Feed/Cold Storage

Mon. 02/25 - Export Inspections

Thurs 02/28 - Export Sales, Jobless Claims

Kevin's Song of the Week



Visual Capitalist

@VisualCap

Following

Why Tech is Targeting the \$15 Billion Mattress Market
(See full infographic:
visualcapitalist.com/tech-targeting...)



WHAT I'M LISTENING TO:



Kevin's Song of the Week

NEXT level THINKING

My goal at "The Van Trump Report" is to help readers better identify the moving parts and dynamics associated with the financial markets, geopolitical events, economics, media and culture that is currently influencing and shaping the direction of the agricultural markets. I like to believe I "Challenge the Traditional" and encourage our readers to think outside the box.

I use story telling techniques that are written in an easy to read format to help convey my current thoughts about business, markets, technology, weather, sports and life. I also like to include links, filter the noise, and pass along in-depth research and information that I believe could challenge your current thought process and help you make more informed decisions. In addition I include valuable lessons I have learned from other traders, executives and investors, along with an occasional inspirational piece about life, family and faith.

What I do not do in "The Van Trump Report" is give specific financial advice or tell individuals how to invest or how to specifically hedge. Remember, this information is being read by hedge fund managers, bankers, CEO's, and Ag leaders around the globe, therefore it's NOT tailored to fit your specific individual needs. For specific investment or hedging advice please seek the help of a licensed representative that can better understand your particular situation, individual needs and overall risk tolerance. This information should ONLY be used for educational and entertainment purposes.

My family and I would like to thank you again for your support!

Kevin Van Trump

What Others Are Saying

"I am a recent subscriber to Kevin's newsletter, but I'm a long-time reader of many other high-profile marketing services. I am particularly impressed with



Scott Sloan
@ScottSloan6164

Following

Amazing how far we've come. So many choices. Lots of hard work to get to this point. Thanks @BNorthey @MikeNaigIA @SecretarySonny @IADeptAg @quinnwho @APonTheBigShow @kumandgo #iaagriculture #AgTwitter



the thorough manner in which Kevin evaluates every economic aspect, both nationally and internationally, that influences commodity prices. His analysis and conclusions are highly thought out and conveyed in layman's terms so that the reader can comprehend the numerous and often complex interrelationships that impact the markets. Kevin is a real attribute to the agricultural sector."

A.M., FDIC

"As a national federal farm policy administrator and commodity producer, I find it critical to keep updated with what is going on in the real world of agriculture and with the domestic and global markets. Of all the services I've have been privy to or have subscribed to over the past 20 years I've found in the past several months of engaging in your "Farm Direction" services to be the best perception and analysis of what is really happening in today's world. Not only here in the United States, but across the globe as well. US farmers need this type of help and information to assist them in their daily efforts. I commend you for a job well done. Please let me know if I can ever be of any help or assistance to you in the future..."

**L.T., Assistant Deputy Administrator
for Farm Programs USDA**

My Own Personal Truisms

"Not To Trade, is often considered a good trading decision..."

"First Rule of HOLES: When you are in one stop digging..."

"Every looser in Vegas, always walks away from the table thinking he could have done better, the winners on the other hand leave while on top..."

"Bulls make money, Bears make money, but pigs get slaughtered..."

"The markets ability to remain irrational can often times last much longer than your ability to remain solvent..."

I'm more of a long-term player, therefore you will not see me give many short-term suggestions or trade ideas. One of my most important rules is that I always follow my long-term direction. Therefore, as long as I am "bullish" a market I will only play that particular market in one of three ways.

- Option #1 - Conservatively long.
- Option #2 - Aggressively long.
- Option #3 - Sitting on the sideline.

I never initiate a "short" position in a market that I am "bullish" longer-term, nor do I initiate a "long" position in a market I am "bearish" longer-term.



Matt Leonard
@mleonard2009

Following

#Irrigation came to western #Kansas in the 1950's. The Leonard #farm sat on top of the largest underground aquifer, the #Ogallala, in North America. A primarily #wheat and #sorghum region, was transformed to #corn and #soybeans which require much more water.



Farm Direction

RECIPES

★ FAMILY FAVORITES ★

-SENT IN BY OUR READERS-

Spicy Shrimp Tortilla Soup



CLICK TO SEE RECIPE



Classic Rock In Pics
@crockpics

Following



Elvis Presley with his parents on his first leave from the army, 1958. [#ElvisPresley](#)

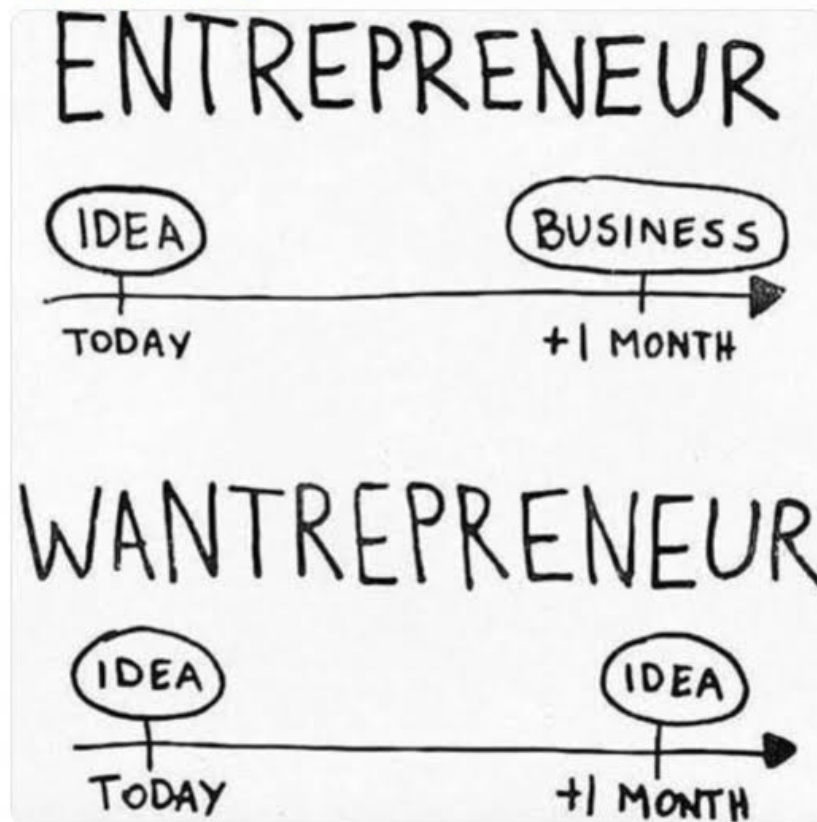


IAM Platform Curated Retweet:

Via: twitter.com/GrowUrStartup

#Entrepreneur vs Wantpreneur.
#Startup #Entrepreneurship #Business
#Leadership #Hustle #GrowthHacking
Via alvinfoo

#IAMPlatform
#TopInfluence
#StartupNews



Yesterday is not ours to recover, but
tomorrow is ours to win or lose.

[#LyndonBJohnson](#) [#quotes](#) [#inspirational](#)

Yesterday is not ours to
recover, but tomorrow is
ours to win or lose.

Lyndon B. Johnson

neuro mining

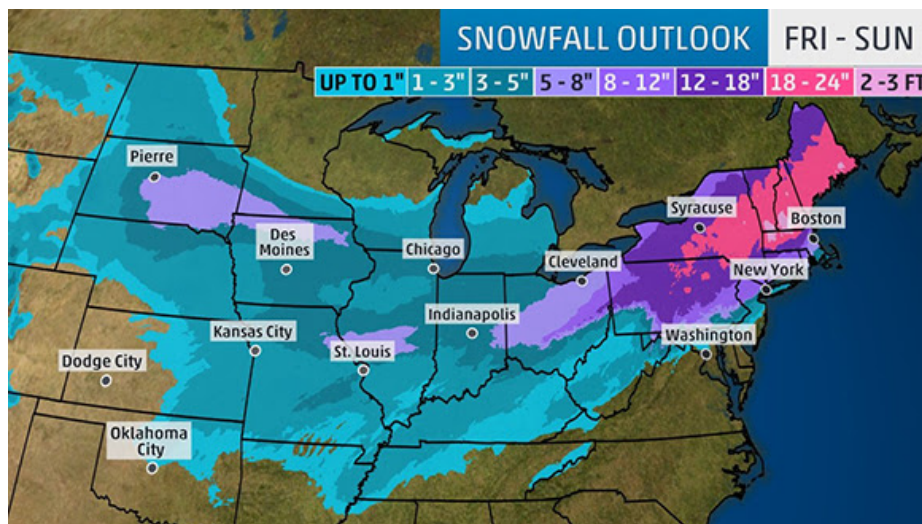


As we age, it gets harder and harder to create new neural pathways in the brain. It's the reason kids find it so easy to learn new things, but as adults it often gets more difficult. Doing brain teasers and solving riddles can be an important part of keeping our brain healthy. The more connections we can form, the better our brain will be. I hope this helps provide a little daily fun and exercise. The answer to each riddle or puzzle will be located at the bottom of the report.

TODAY'S RIDDLE:

I am the only thing that always tells the truth. I show off everything that I see. I come in all shapes and sizes. So tell me what I must be?

Weather forecasts are centered around the snowstorm expected to hammer the Midwest and East. For the second week in a row, heavy snow is expected from Friday into the weekend in the Plains and Midwest. Fueling this snowstorm is a blast of arctic cold which will return to the nation's northern tier starting late this week. While the exact track of this storm isn't certain, we have a much better idea of just how much snow is expected. Looks as if a swath from the Plains to the lower Midwest to the interior Northeast and New England is likely to pick up heavy snowfall.



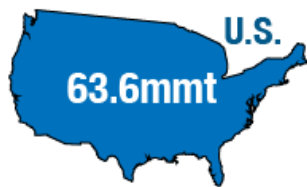
Corn bulls continue to look towards weather concerns in parts of Argentina, Brazil and South Africa. There's certainly some pockets where yields will be impacted but the trade doesn't seem overwhelmingly concerned. Remember, the USDA is currently forecasting Brazil's production at 94.5 MMTs this year vs. 82.0 MMTs last year. Argentine production is forecast at 42.5 MMTs this year vs. 32 MMTs last year. Bottom-line, even though there's weather concerns the trade is still comfortable forecasting a substantially larger South American crop. Bulls have been waiting patiently for headlines to confirm Chinese buying of either corn, ethanol or DDGs but at this point still nothing official. There's more talk and rumors that the Chinese have been aggressively chewing through their domestic surplus but that has yet to equate to China purchasing U.S. supply. Hopefully that will happen further down the road. If we switch gears and look at the domestic U.S. story, very little has changed. Bears are talking about more U.S. corn acres in 2019 and perhaps a few more holes being shot in the U.S. demand growth story i.e. fewer bushels of corn used for ethanol and perhaps less corn used for feed demand as other alternatives backup in the pipeline. Bulls point to the fact the U.S. yield could be trimmed by at least -1.0 bushel per acre and exports might actually tick a bit higher. Net-net however, there's just very little change, we probably still stay around 1.7 billion in ending stocks. From a technical perspective, the market still seems to be range-bound. If you look out longer-term, most tech guru's will argue major support is down in the \$3.25 to \$3.55 range and we are still about +20 cents above that level. Heavier front-end resistance still seems to be in the \$3.90 to \$4.25 range. As a spec, I think if prices move another dime lower, I will more than likely start building a bullish position. I have a bullish tilt, but just not ready as of yet to put my money where my mouth is. As a producer, I'm keeping my hedges in place. I may entertain some re-ownership if prices continue to deteriorate.

Top 3 Corn Exporters

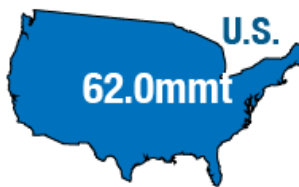
(in million metric tons)

2017/2018 est.

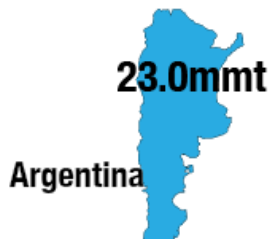
2018/2019 proj.



-2.57%



+5.29%



+19.6%



Source: USDA, updated 01/15/19

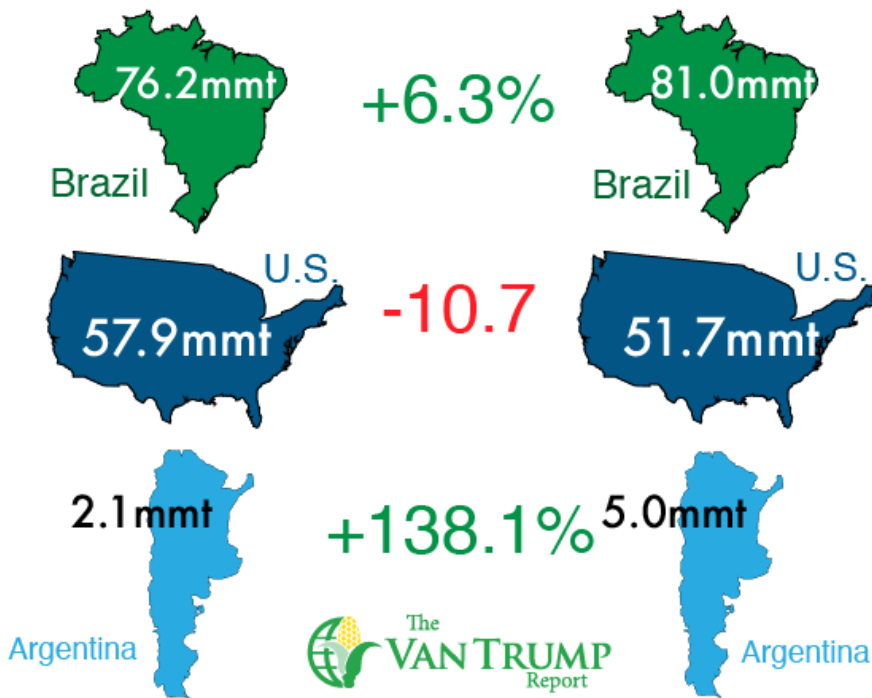
Soybean struggle to find continued upside momentum. There's very little fresh or new to report in regards to beans. Chinese demand remains in question, not only because of the current trade conflict, but also because the ongoing spread of African Swine Fever and the negative hog margins. Bullish Chinese soybean demand just isn't in the headlines right now. U.S. demand remains strong but just not enough to carry the load, especially when we are talking a +900 million ending stock number. Bulls will argue that the USDA still needs to reduce their 2018 yield estimate and 2019 acres are going to be lower by perhaps -3 or -4 million acres. Regardless, without dramatically improved Chinese demand or a major U.S. weather story in 2019, it's going to be tough to build continued momentum to the upside. Lets keep in mind, Brazil's harvest is underway and new-crop bushels will soon become available in the global export marketplace. Despite some production concerns in parts of Argentina and Brazil, we still have most of the trade looking for substantially more production. Remember the USDA is currently forecasting Argentine production at 55.5 MMTs vs. 37.8 MMTs last year. From a technical perspective, the MAR19 contract is trading down near the lower end of the range. Tech guru's argue that major support in the MAR19 contract lies in the area between \$8.40 and \$8.80 per bushel. To the upside, resistance remains in the \$9.25 to \$9.45 range. I suspect we trade inside the ranges mentioned above until more is known about Chinese trade and or weather worries become more widespread.

Top 3 Soybean Exporters

(in million metric tons)

2017/2018 est.

2018/2019 proj.

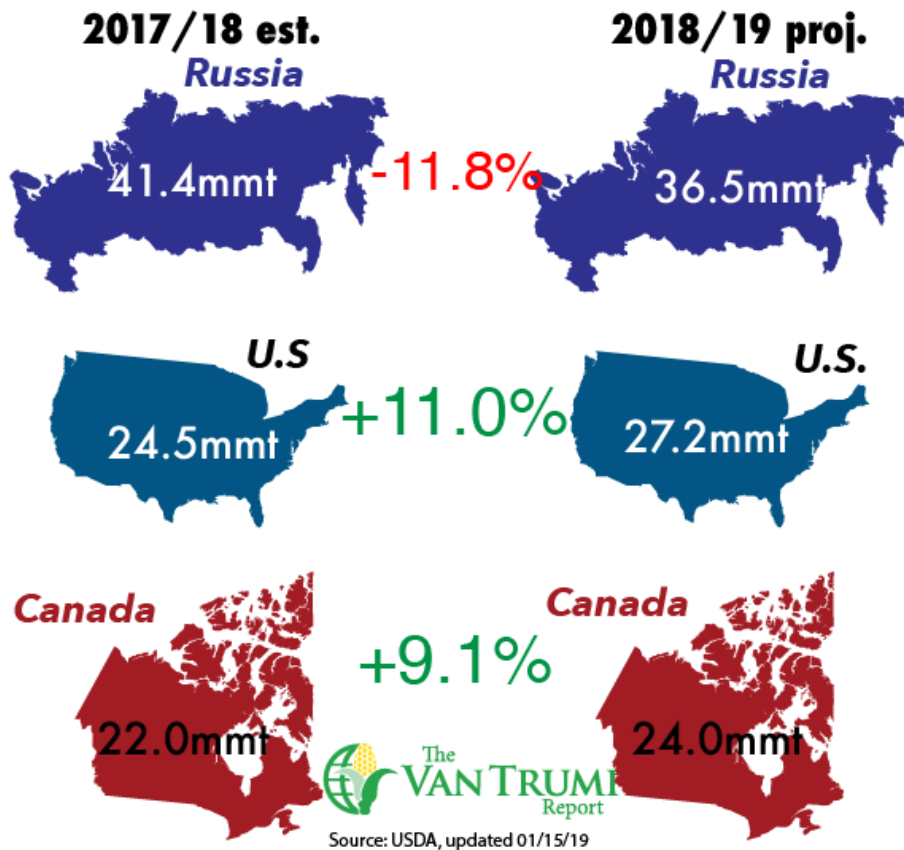


Source: USDA, updated 01/15/19

Wheat bulls are talking about an extreme wintery mix hitting the U.S. that could cause some complications. We won't know until we see snowfall totals and what areas will have protection. Bulls are also talking about rumors and headlines that Russia is starting to more aggressively slow their exports. We've certainly heard that story more than once. I suspect eventually that news is going to be correct, but I just wonder if the trade will still care? There are some bulls who believe the USDA could actually bump their export estimate higher, but it still does very little to total U.S. ending stocks, which will remain burdensome without some additional buying headlines. Obviously, it would be nice to hear confirmation of China buying U.S. wheat, but that seems to be a dream at the moment. I also continue to closely monitor the U.S. dollar and political tensions between Russia and Ukraine. Sorry, just nothing really new or game changing to report. I hope yesterday's audio podcast that was sent out helped better explain in detail my current thoughts. If you didn't get the 1-Hour in-depth podcast please call the office and let them know. (816) 322-5300.

Top 3 Wheat Exporters

(In Million Metric Tons)



> FSA Offices Reopen for Limited Services During Government Shutdown: U.S. Secretary of Agriculture Sonny Perdue announced that many Farm Service Agency (FSA) offices will reopen temporarily in the coming days to perform certain limited services for farmers and ranchers. The U.S. Department of Agriculture (USDA) has recalled about 2,500 FSA employees to open offices on Thursday, January 17 and Friday, January 18, in addition to Tuesday, January 22, during normal business hours. The offices will be closed for the federal Dr. Martin Luther King, Jr. holiday on Monday, January 21. Read more at [USDA website](#)

> GAO Questions SNAP Fraud Estimates: USDA's Food and Nutrition Service Estimates \$1 billion in SNAP benefits are "trafficked" each year by retailers, which typically involves merchants exchanging benefits for cash instead of food and then taking a large cut of the transaction. But the Government Accountability Office said the correct number could be anywhere between \$960 million and \$4.7 billion. Millions of households rely on the \$64 billion Supplemental Nutrition Assistance Program, formerly known as food stamps, to buy food. (Source: GAO)

> WTO Set to Rule Against China on Ag Subsidies: The World Trade Organization is expected to side with the U.S. in longstanding dispute over Chinese government subsidies for wheat, corn and rice growers. IF you remember back to October of 2016, Then U.S. Trade Rep. Michael From an alleged that China had exceeded international limits on ag subsidies by \$100 billion in 2015. U.S. officials say Beijing's grain subsidies (and other policies) distort global trade and unfairly restrict the Chinese market for American farm goods. The WTO ruling could be made public in late February -- just as Washington and Beijing could be in the final stages of trade talks -- or in early March. (Source: Politico)

> China Worried Over Pork Supply: Government officials in China are encouraging pig farmer to quickly replenish their herds in the wake of African swine fever outbreaks. Pork prices in the world's biggest producer of the the meat are very likely to rise in the second half of 2019 as the number of pigs has been falling. Chinese officials have also said they will soon step in and buy more pork for its reserves as they look to curb price rises expected to kick in later this year. (Source: Reuters)

> Kansas City Fed Chief Speaks About Struggling U.S. Farmers: Esther George, president of the Kansas City Federal Reserve Bank said in a speech that "the farm sector is in a prolonged downturn as a result of declining agricultural prices made worse by retaliatory tariffs on U.S. farm products." George is voting member this year of the Open Market Committee of the Federal Reserve. The committee sets U.S. monetary policy. In discussing interest rates George acknowledged rates may be closely approaching the destination of neutral. On the other hands, she also said that addition rate increases could be appropriate, but that a careful look at the data is needed first.

> Louis Dreyfus to Exit Dairy by Mid-2019: Louis Dreyfus said it would sell or wind down its small dairy business by the middle of this year as part of an overhaul to revive growth at the ag commodity giant. The dairy business accounted for roughly 1% of revenues in 2018. They expect the divestment to have little impact on global sales. Interestingly, Louis Dreyfus just last year also divested from their metal trading business for \$466 million last year and they also sold fertilizer distribution activities in Africa and Australia.

> Economic Outlook Remains Generally Positive According to Beige Book: Eight of the twelve federal districts making up the Beige Book, reported that growth was modest to moderate through the last reporting period. From what I understand, outlooks remain positive, with slight hesitations in optimism based on the market's volatility, rising interest rates, falling energy prices and geopolitical uncertainties.

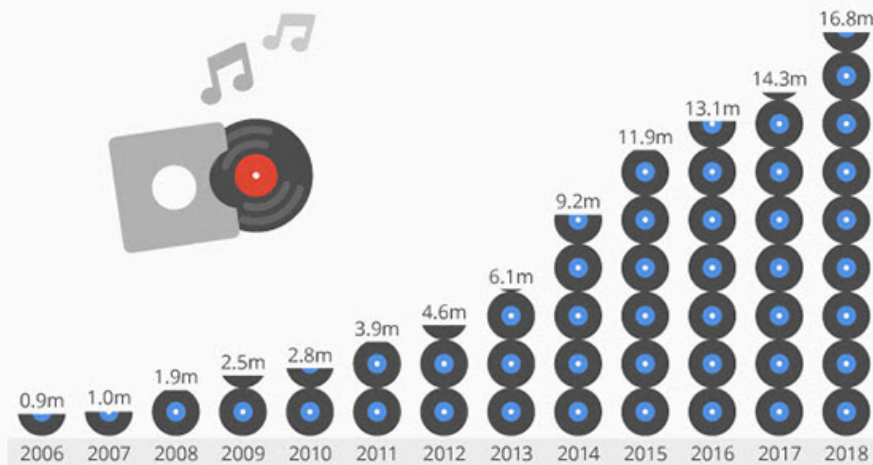
> Facebook Invests \$300 Million in Local News: Facebook announced it will invest \$300 million in news programs, partnerships, and content over the next three years. The money will go toward reporting grants for local newsrooms, expanding Facebook's program to help local newsrooms with subscription business models, and investing in nonprofits aimed at supporting local news. Through this investment, Facebook will invest between \$1 million and \$5 million in each of 6 journalism nonprofits. Facebook also plans to invest \$20 million in its own in-house news product, The Local News Subscriptions Accelerator. Keep in mind, this week Google and WordPress partnered to create a new tool called "Newspack." (Source: FastCompany)

> Sears Chairman's Bid of \$5.2 Billion Will Keep Doors Open: Sears Holdings Corp Chairman Eddie Lampert prevailed in a bankruptcy auction for the U.S. department store chain with an improved takeover bid of roughly \$5.2 billion, allowing the 126-year-old retailer to keep its doors open, people familiar with the matter said Wednesday. The billionaire's proposal, made through his hedge fund ESL Investments Inc, will save up to 45,000 jobs and keep 425 stores open across the United States. (Source: Reuters)

> Vinyl Records Continue Their Comeback: Continuing one of the most surprising comebacks of the detail age, vinyl album sales in the U.S. have grown for the 13 consecutive year. In 2018, 16.8 million LPs were sold in the U.S., up 14.6% compared to 2017 when accounting for the fact that Nielsen's 2018 tracking period ran 53 weeks from Dec. 29, 2018 through Jan. 3, 2019. It's pretty incredible to witness a hundred year-old technology comeback from near extinction. Is it possible we'll soon be dusting off our old VHS tapes??? (Source: Statista)

The Surprising Comeback of Vinyl Records

Vinyl LP unit sales in the United States from 2006 to 2018



@StatistaCharts Source: Nielsen

statista

FROM THE FIELD

Southwest Iowa - We finished harvest in a timely manner without the distractions many faced last fall. All in all it was not an ideal year and not many of us were able to get any tillage completed heading into winter. We did finish working all the corn on corn acres and were fortunate enough to get the anhydrous down before winter arrived. It looks like we will be able to stick with our rotation of two-thirds corn and one-third beans this year. If anything we will end up with more corn acres in the springtime. We sold all the beans and had many sales at very good prices comparatively. The corn that didn't get sold will stay in the bin as we wait for better opportunities.

Northern Indiana - We finished 2018 as good as we could and are looking forward to a better season in 2019. For now, most of my acres are contracted dry beans and winter wheat. I have some acres I'm trying to figure out what to do with still as they are not my best, having mostly heavy clay. I want to do corn since the ground is lacking organic matter, but if I go with beans it would be easier to work with less costs on fertilizer and seed. Not to mention getting the beans in the bins won't be as much of a chore as well. This field hasn't had beans on them for a while so it will be interesting to see how close I can get to the +70 bpa from the lighter soils. I'll probably have to add a soil treatment while planting this year.

Westcentral Illinois - It seems we tough weather all year long. In June we had two major storms, which took down some corn. We followed that up with a near three-week drought from the middle of July to the middle of August. Then came the rains and the flooding in September, causing the town to shut down for a bit. October brought us another strong storm leading to muddy conditions through November. Finally, the snow came and shut things down, we couldn't get down our NH3 and had to buy it again at higher prices in the spring. The good news is, we believe it can only get better from here!

CROSSING WIRES

A place to share intelligent thoughts...

Tyson to Deploy on the Ground Sustainability Projects: In other words, the company is taking action to make their recent climate and land stewardship goals a

reality. Working with Environmental Defense Fund, Tyson will scale up the use of cloud-based agricultural technologies from MyFarms and Farmers Business Network, both of which collect information on agricultural production practices while protecting data privacy. Insights from the analysis of that data – and from the use of new scientific analysis to measure the benefits of sustainable farming practices – will inform food production methods that are good for the environment and for farmers' bottom lines. None of this will be easy, and much hard work remains for the animal agriculture industry to reduce its environmental footprint. But if Tyson can prove the viability of farming practices that are good for the planet and for profits, it would be a game changer. Because if the largest food company in the country can measure and reward environmental performance from field to fork, anyone can. Read more [HERE](#).

Colin O'Brady Becomes First American to Cross Antarctica Alone: Receiving no assistance whatsoever, not even with re-supplies, 33-year-old Colin O'Brady spent 54 days in November and December crossing Antarctica on a pair of skis while towing a 375-lb. sled. It goes without saying that anyone willing to attempt this feat has mentally prepared and while in the midst of his trials, O'Brady would wake each day and remind himself "You're Strong, You're Capable". I should mention that in 2016, O'Brady raced to the top of the tallest peaks on all seven continents including Antarctica in just 132 days, faster than any person before him. More recently, he trained for the cross-Antarctica mission on heavily inclined treadmills, and used weight training to put on an extra 20 pounds of muscle so he could pull his 375-lb. sled of gear across the South Pole. He even completed a test mission in Greenland, towing his gear for a 30-day, 400-mile practice run. But that was only part of the equation. Read more of the incredible story of endurance [HERE](#).

Solar Power Storage Technology Starting to Change the Game: Hawaiian Electric Company just submitted to state regulators seven massive new solar-plus-storage contracts. If built, these would add more than 260 megawatts of solar and, more significantly, over 1,000 megawatt-hours of storage to the Hawaiian grid — more than the total cumulative amount of energy storage deployed across the U.S. between 2013 and 2017. Solar plus storage is having a breakout moment. Keep in mind, the technology allows the power generated by intermittent renewables to be better matched to times when the grid needs it most, which is critical for clean energy growth to continue. It also means that renewables may come to compete more directly with natural gas in some markets, rather than requiring more gas to balance their intermittency, as has been the case so far. Keep your eyes on how the industry will integrate AI this year. Read more [HERE](#).

What Countries Are Going to Produce the Most Millionaires in the Next 5 Years: Economic powerhouses like the United States, China and Japan may be home to the highest proportion of the world's wealthy, but when it comes to minting new millionaires, opportunities abound in some surprising places. That's according to a new report from wealth research firm Wealth-X, which found that the countries on track for the fastest growth in their wealthy populations are select emerging nations across Africa, Asia and Europe. The study, taken from Wealth-X's inaugural "High Net Worth Handbook 2019," drew on research from more than 540,000 high net worth individuals — those with a net worth of \$1 million to \$30 million — to forecast its outlook for global wealth growth over the next five years. It took into account current wealth levels, population growth estimates and anticipated future investment opportunities. See the results [HERE](#) that may surprise you.

You Might Have a Copter in Your Garage Soon: It's been the dream of countless visionaries, finding a way to let people fly as easily as they can drive. And a century after Henry Ford abandoned his own "Flying Flivver" project, an assortment of entrepreneurs are racing to finally make that a reality. That includes a small company out of Columbus, Ohio that showed off what looks like a drone with a two-person passenger compartment at this week's North American International Auto Show in Detroit. With prototypes already taking to the air, the Workhorse Group is pushing to get the Federal Aviation Administration certification needed to launch production in less than two years and is already taking deposits. CEO and founder Steve Burns is wondering why everyone doesn't have a helicopter in their garage? Right now the \$200,000 price tag will answer that for you but I suspect one day it won't be an uncommon sight. Read more [HERE](#) on the future of personal flight and you can see a short video of a test flight [HERE](#).



Ag Tech Start Ups Offer Free Data During Shutdown

Since December 22, 2018 the ag community has gone without the data compilation services of the National Agricultural Statistics Service (NASS) and Office of the Chief Economist – World Agricultural Outlook Board (OCE-WAOB). As you know, federal funding will only resume when the government is reopened, at which point we will once again receive the monthly WASDE reports along with other ag data. Interestingly, many are finding that the January WASDE is becoming increasingly important in their planning and forecasting for the year. Also, this January's report in particular was to serve as confirmation for the many who believed that the U.S. soybean crop was smaller than predicted and could thus have an effect on bean prices. Keep in mind that regularly published trade estimates, or market polls, only cover small portions of the WASDE, both in terms of numbers of crops and variables forecasted. I should mention that confirmation of data can be difficult as industry analysts do not provide their individual methodologies. Stepping in to fill the gap is three ag data startups who are providing public access to their data in the interim... plant microbiome startup Indigo Ag, organic and non-GMO data company Mercaris, and machine learning and AI data startup Gro Intelligence. Breaking it down, Indigo Ag will be sharing market data for the Americas gathered by its GeoInnovation unit, formerly known as TellusLabs. With this program producers will have access to yield predictions, which the company claims have outperformed comparatively. From what I understand, Indigo's data is virtually real-time, meaning it can allow farmers the potential take advantage of reports should there be a marketing play. Mercaris will contribute as the only source of market data for organic and non-GMO price, also offering a bi-weekly Organic Grains Report to producers for free. I'm told Mercaris has estimated that U.S. buyers imported a total of 2,200 MT of organic corn in November 2018 and 2,300 MT in December 2018. Finally, Gro Intelligence released its report on supply and demand forecasts for agricultural crops worldwide. From what I understand, Gro has been offering free subscriptions to its web app since shortly after the government shutdown began on December 22. It's

worth noting that Gro claims to have the world's most comprehensive agricultural data platforms and makes forecasts for corn, wheat, and soybean demand. Until the government reopens, Gro's estimates will analyze country/crop pairings using five distinct methodologies for both supply and demand, with over 1,000 forecast models covering 35 crops grown around the world. From what I can tell, it sounds like there may be other companies stepping up to provide free services during the shutdown... we'll keep our ears open and keep you informed. If you haven't seen it yet, Click [HERE](#) to see Indigo's data, and [HERE](#) to sign up for Gro Intelligence's free data. (Source: USDA, Agfunder)



How to Find the Best Local Food When Traveling

Michelle and I are always looking for a new dining experience, or the hottest eatery in a new town when we travel, but unless you have friends in each city who share your desire for new experiences in eating, you may find yourself at the same old, familiar and comfortable chain restaurants. Over the past few years, we've generally just used Google, typed in "restaurants near me". then selected the type of food we wanted and found an accommodating menu. But now we are using the entrepreneurial spirit of others who have created apps to do an even better job. Interestingly, there are apps

that can not only guide you to the best local eateries but there are many peer-to-peer companies that make it possible for travelers to actually eat dinner in local homes all around the world. So next time you are exploring a new city, or even an old favorite, keep the following helpful websites or apps to guide you along the way. The list provides websites and app where the locals eat and drink - some may surprise you. (Source: [Buzzfeed](#))

LocalEats: *LocalEats for iPhone and Android is a curated dining guide created for travelers and local diners who prefer locally owned businesses, rather than chain restaurants, with the goal of pointing you to the best steak houses, great sushi spots, and down-home burger joints all over the country. This is definitely not a comprehensive guide as Local Eats prefers to list only the best restaurants, chosen by their editorial and research staff, yes actual humans! From what I understand, they have been writing about the best locally-owned restaurants in America for over 20 years. I'm told their "Where The Locals Eat" guide was first published in 1996 and featured over 10,000 restaurants. I should mention that LocalEats is now free to download, with no ongoing subscriptions or even display ads. So next time you hit the road, be ready to eat like a local.*

Spotted By Locals: *Basically, this app is a collection of over 71 guides to cities around the world, sourced from a group of curated locals. The app itself is free, but then you have to buy the actual guide to each city, which costs \$3.99. I'm told Spotters live in the city they write about, speak the local language and write only about their current local favorite spots, not to mention that founders Sanne & Bart are 100% owners and meet all Spotters in person. When you click on each place listed in the guide, you also get an essay written by one of the locals about why the place or activity is so great. And there's a "nearby" feature that lets you choose from all the local-endorsed places right around you. The best part is it all works in offline mode, so you're good to go if you don't have Wi-Fi or you're underground.*

Instagram: *I suspect some of you younger users have already benefited from the information gleaned off Instagram. If you lack experience with Instagram then all you have to do is search the geotag and the hashtag of your city or town (like #austin). If there's a spot that keeps popping up, go there, because it's clearly popular. Or, if you find cool locals, follow them and go where they go. You can even DM them for recommendations.*

Tinder: *Not a typo... That's right, Tinder is not just for dating! You can definitely use it to get food and drink recommendations as well. When you get to your city of choice, start talking to people who live in the area. Tell them you're visiting and ask them to tell you or show you the best places to go for eats and booze. You can even talk to locals before you go using the Tinder Passport feature (on Tinder Plus).*

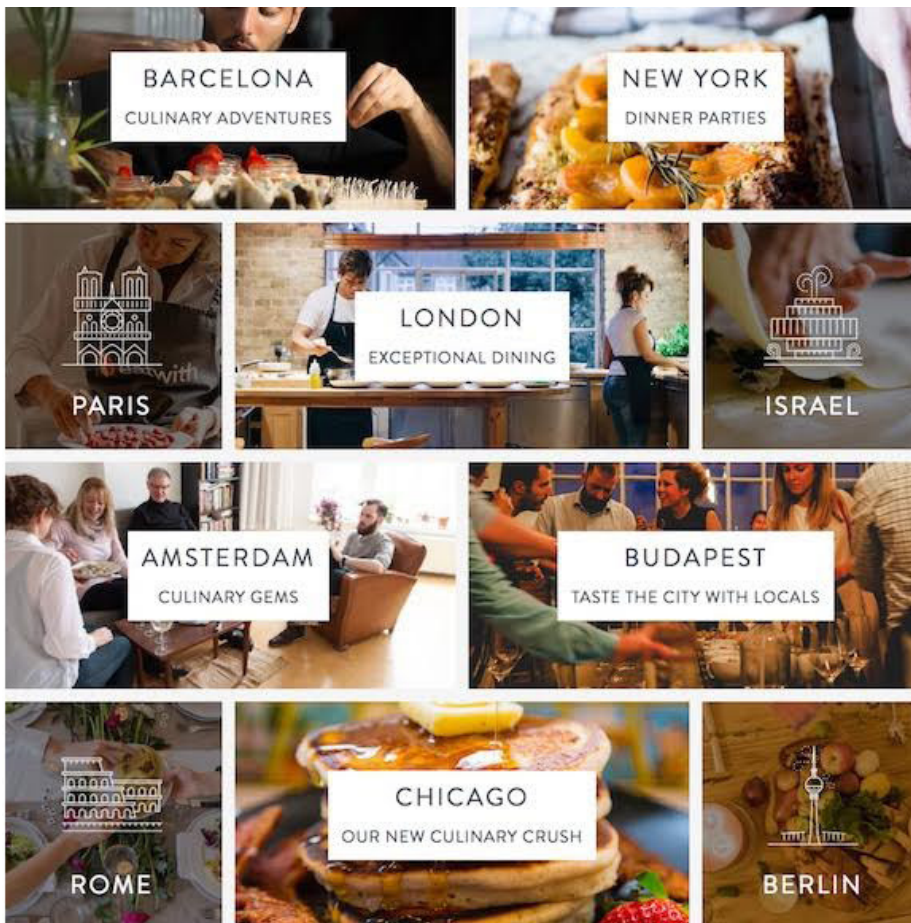
If you want to personalize or have a truly unique dining experience while out of town and out of the country, consider one of these offerings that will place you in the home of a local resident/chef who will prepare an authentic meal and provide an memorable experience. Heading down this path will certainly provide a social dining experience you won't soon forget. Some of the companies also offer add-on food experiences so be sure to click the links.

EatWith: *Founded in 2012, EatWith is a global company, with many U.S. locations, that connects travelers with local vetted chefs in 150 cities around the world. At each location, you will be invited into their homes for a meal. Hooking up with the food of your choice, couldn't be easier, all you have to do is type in your destination, and then you pick from a variety of specialty meals (and some chef-led food tours) that are being offered in the area. Keep in mind you most likely won't be eating alone as, most meals end up dinner-party-size, and there is of course a fee, depending on what you eat. If you enjoy the experience enough, you should consider signing up to be a host in your city.*

Traveling Spoon: *Founded in 2013, Traveling Spoon's amazing tagline is "travel off the eaten path". From what I understand this site will favor those who are world travelers as well, meaning at the moment there are no U.S. locations. From those who have experienced it, Traveling Spoon is like having a friend's mom cook you a home cooked meal in every country you visit. Connecting travelers with local, vetted hosts, Traveling Spoon seeks to not only a food experience, but a cultural one as well. I'm told there are options where you can experience culinary traditions passed down through generations. The company has vetted hosts in 38 cities in 14 countries in South and Southeast Asia and Japan. Hosts also offer cooking classes and market trips as well.*

Feastly: *If you want to stick with stateside only, Feastly is like the other companies above — except it's only in America. Their major market is in San Francisco, but they also have chefs in New York, D.C., Chicago, and Houston. They also have occasional meals in other cities, depending on when chefs want to host their events. Search your own city by clicking the highlighted link.*





HOW IT WORKS



DISCOVER

A cooking class in Rome, a rooftop dinner party in Barcelona, a supper club in London... Browse culinary events with our hand-selected hosts



BOOK

Select your favorite food experience and book a date that works for you. You'll be able to chat with your host directly



ENJOY

Discover delicious food, meet passionate people & experience the magic of Eatwith

100% of hosts are personally vetted

We find the best home cooks around the world so you can immerse yourself in meaningful food experiences and cultural traditions passed down through generations. Visit a grandmother in her kitchen in India and learn how to make crisp dosas or spend time on a farm in Northern Thailand and grind curry pastes.

Choose from three unique experiences with our hosts, or pick a combination:



In-home Meals

3.5h - 2 hrs
Experience the joy of a homemade meal (and eat it the way the locals do) over conversation about food and culture



Cooking Experiences

3h - 4 hrs
Discover cultural and culinary traditions passed down through generations as you learn to cook with your host in their kitchen



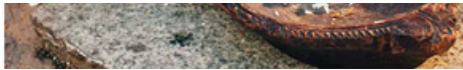
Market visits

1h - 2 hrs
Explore a nearby market with your host





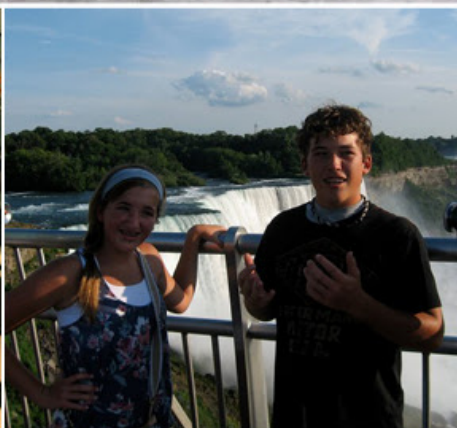
discovering the best local produce and its producers

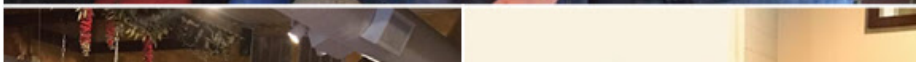


Don't Blink...

I just recently celebrated my 50th birthday, so I took a moment to think about how quickly life passes through our hands. It reminded of one of my favorite Kenny Chesney songs "Don't Blink". If you've never heard the song, seen the video or just want a little reminder about how fast life moves take some time today and watch the short music video. It features an old man turning 100 years old and giving some simple yet profound life advise. Below are a few pictures that highlight how fast my family has grown up along with a couple of our most recent family outings. Thanks again for all the support and birthday wishes that were sent my direction, much appreciated. Trust me friends, 100 years go faster than you think...so don't blink! Click [HERE](#) to watch the video







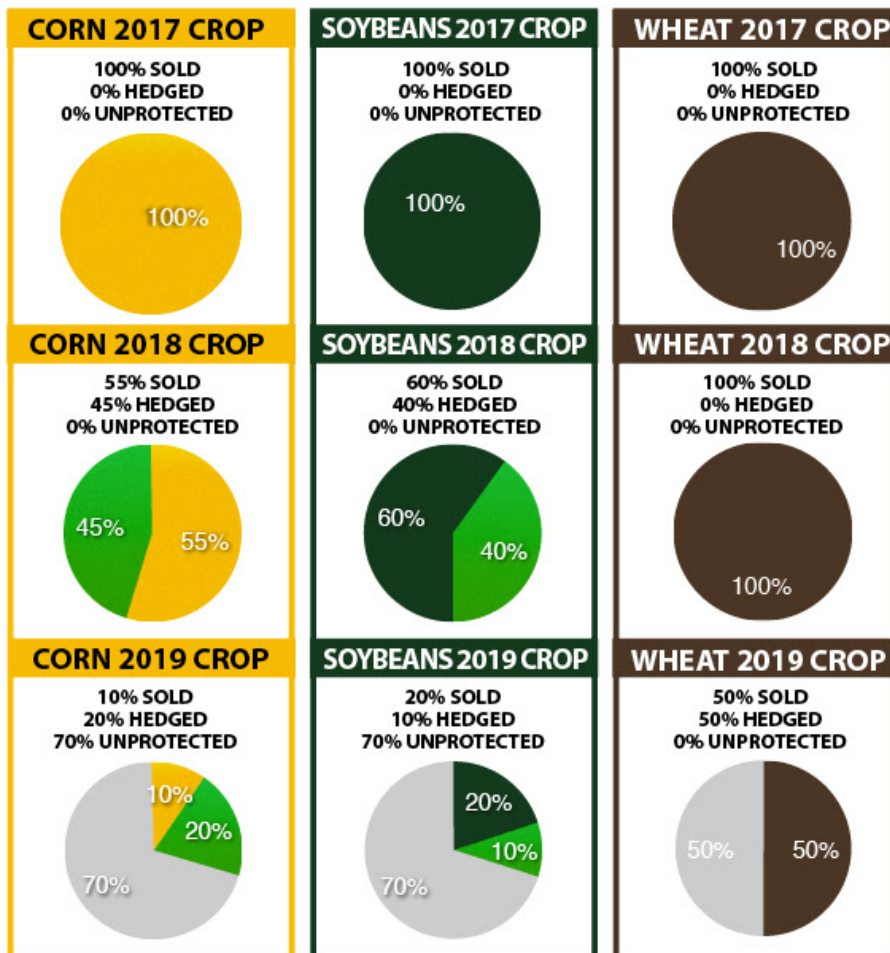




ANSWER to riddle: A mirror

CASH SALES & HEDGING TOTALS

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